Approved For Representation of the Property of

21 MAR 1975

MEMORANDUM FOR: Chief, Operations Support Branch

SUBJECT : Study on the Past and Projected Impacts of

Inflation on DD/A Operations

REF : Memo of 17 Mar 75 to all DD/A Staffs and

Divisions, same subj.

1. Information to follow is provided in response to Chief, Operations Support Branch request for Chief, Supply Management Branch (SMB) comments on the subject of reference.

2. Review of SMB stock procurements for the calendar years of 1973, 1974 and thus far in 1975 indicates a number of contradictory inflationary trends. For example, the price of paper clips increased 785 percent; the price of Kraft file folders went up 812 percent; and the price of a particular model of microfiche viewer decreased by 22 percent. Since these examples represent extremes, line items were selected at random from the property categories indicated below. Prices paid in 1973 were used to peg the different costs encountered in 1974 and thus far in 1975, with the following results:

		DOLLAR 1973	COST COMPAR 1974	150NS 1975
1.	Electrical NSA items, connectors, relays, batteries, cable, electron tubes, diodes and test equipment	\$100	\$11 6	\$121
2.	Photo supplies film, paper and developer	\$100	\$100.30	\$ 84
3.	Office machines	\$100	\$ 95	\$ 92
4.	Office furniture, including filing cabinets	\$100	\$105	\$125
5.	Office supplies, paper clips, envelopes, duplicating paper and file folders	\$100	\$132	\$239
6.	Consolidation of 1 through 5 above	\$100	\$107	\$119

Approved For Related 2002/00/07 CIA/REPASE 09 10 10 160032-5

SUBJECT: Study on the Past and Projected Impacts of Inflation on DD/A Operations

3. Please advise if statistical samplings in other formats are desired.

STATINTL
Chief, Supply Management Branch